

MINUTES OF
THE RHODE ISLAND INDUSTRIAL – RECREATIONAL BUILDING AUTHORITY

September 28, 2012 (#470)

PUBLIC SESSION

A monthly meeting of the Board of Directors (the “Board”) of the **RHODE ISLAND INDUSTRIAL – RECREATIONAL BUILDING AUTHORITY** (the “Authority”) was held in Public Session and Executive Session at the offices of the Rhode Island Economic Development Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on September 28, 2012 at approximately 8:30 a.m., pursuant to notice of the meeting to all Directors, and public notice of the meeting as required by Rhode Island General Law 42-46-6.

PRESENT: Frank R. Benell, Chairperson
 Frances H. Gammell-Roach, Vice Chairperson
 Michael S. Imbruglia, Member

ABSENT: NONE

ALSO PRESENT: Sean W. Esten, Financial Portfolio Manager
 Dan Price, Financial Portfolio Manager
 Stacy Farrell, Assistant Manager of the Authority
 Earl Queenan, Managing Director of Finance
 Ellen Corneau, Esq. Moses, Afonso & Ryan Ltd.
 Debra Mitchell, Braver PC

Chairman Benell presided over the meeting.

1. Call to Order.

Mr. Benell called the meeting to order at 8:32 a.m.

2. Approval of the Public Session and Executive Session Minutes of the Meeting Held on August 24, 2012

Mr. Benell presented the Public Session and Executive Session Minutes of the meeting held on August 24, 2012. A motion was duly made by Mrs. Gammell-Roach, was seconded by Mr. Imbruglia and was unanimously carried to accept the Public and Executive Session Minutes, as presented. A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia – aye
Mrs. Gammell-Roach – aye

3. Maintain the Executive Session Minutes of August 24, 2012 as Confidential

The next item to come before the Board was a vote to maintain the confidentiality of the Executive Session Minutes of the Board meeting held on August 24, 2012. A motion was duly made by Mrs. Gammell-Roach, was seconded by Mr. Imbruglia, and was unanimously carried to maintain the confidentiality of the Executive Session Minutes of the above noted meeting. A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

4. Review and Acceptance of the Revised Audited Draft Financial Statements for the period ended June 30, 2012.

Mr. Queenan and Debra Mitchell noted some revisions to the audited financial statements which had been reviewed and accepted by the Board at the meeting held in August. Mr. Queenan pointed out that “Loss on Insured Commitments” had been reduced. This was due to the receipt of an appraisal for collateral relating to CAPCO. He advised the Board that this figure should be reviewed and adjusted annually relating to any recuperation of funds relating to this transaction. Ms. Mitchell also pointed out that Note 4 on page 12 had been expanded with the addition of the second and third sentence in the paragraph. Mr. Queenan asked if there were any questions regarding the financial statements. There being no discussion, a motion was duly made by Mr. Imbruglia, was seconded by Mrs. Gammell-Roach, and was unanimously carried to accept the revised audited draft financial statements for the period ended June 30, 2012. (Exhibit A). A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

5. Review and Acceptance of the Internally Prepared Financial Statements for the Period Ended August 31, 2012

Mr. Queenan asked if there were any questions regarding the financial statements. There being no discussion, a motion was duly made by Mr. Imbruglia, was seconded by Mrs. Gammell-Roach, and was unanimously carried to accept the internally prepared financial statements for the period ended August 31, 2012 (Exhibit B). A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

6. Board review of a Letter of Support from The Providence Foundation Regarding the 122 Fountain Street Transaction.

Ms. Farrell indicated that a letter had been received by the Authority addressed to the Board from The Providence Foundation (Exhibit C). The letter outlined the foundation's support of the 122 Fountain Street transaction. The Board acknowledged the receipt of this letter.

7. Board Acceptance of Formal Withdrawal Letter from 122 Fountain Street, LLC.

Mr. Queenan advised the Board that the Authority had received a letter from counsel representing 122 Fountain Street advising the Authority that the borrower no longer intended to proceed with the financing of 122 Fountain Street with Rockland Trust through the Authority's program. The letter stated that financing for the project was available through a group of investors and partners. There being no further discussion, a motion was duly made by Mr. Imbruglia, was seconded by Mrs. Gammell-Roach, and was unanimously carried to accept the withdrawal of 122 Fountain Street, LLC (Exhibit D). A roll call vote was taken:

Mr. Benell – aye

Mr. Imbruglia– aye

Mrs. Gammell-Roach – aye

8. Other Business

Mr. Queenan addressed the Board regarding their current Directors and Officers Insurance ("D&O Insurance") coverage. He noted that that each Board of the Rhode Island Economic Development Corporation would be carrying separate policies going forward rather than having numerous Boards fall under one. Management was able to obtain a policy which has a premium of approximately \$35,000 annually. Mr. Queenan advised the Board that this policy should be reviewed annually and renewed. He stated that the Board would receive a copy of the policy when it was available. There was no further discussion regarding this matter.

9. Executive Session

Mr. Benell suggested that the Board move into executive session. Upon motion duly made by Mr. Imbruglia and seconded by Mrs. Gammell-Roach, the motion to move the meeting into executive session pursuant to Rhode Island Open Meetings Law 42-46-5(a)(2), 42-46-5(a)(5), 42-46-5(a)(6) and 42-46-5(a)(7) of the General Laws of the State of Rhode Island, as amended, was duly adopted. A roll call vote was taken:

Mr. Benell – aye

Mr. Imbruglia– aye

Mrs. Gammell-Roach – aye

Public session concluded and executive session began at 8:47 a.m.

10. Executive Session Vote Ratification

The meeting was reconvened from Executive Session to Public Session at 8:59 a.m. Mr. Benell noted that no votes were taken by the Board in Executive Session.

11. Other Business/Adjournment

There being no further business to come before the Board, upon motion duly made by Mrs. Gammell-Roach, was seconded by Mr. Imbruglia, the Board unanimously voted to adjourn the meeting. A roll call vote followed:

Mr. Benell – aye

Mr. Imbruglia– aye

Mrs. Gammell-Roach – aye

The meeting was adjourned at 9:00 a.m.

Respectfully submitted,

/s/ Stacy Farrell
Stacy Farrell, Assistant Manager